

ALCOHOL & TOBACCO COMMISSION

302 W. Washington, Room E114, Indianapolis, IN 46204

PRE-BID QUALIFICATION INSTRUCTIONS

(1) Pre-bid qualification applications must be completed and returned to the above Alcohol & Tobacco Commission office on or before October 6, 2010, or if mailed, the United States postal mark date must be on or before October 6, 2010. Applications received or postmarked later than October 6, 2010, will NOT be considered. **Please mark your envelope: ATTN: PERMIT AUCTION**

(2) Each pre-qualification application must be accompanied by bid security in the form of a separate **CASHIERS CHECK OR CERTIFIED CHECK** payable to the "Alcohol & Tobacco Commission" in the amount of the bid security. You may only bid on those permits for which you pre-qualify. In cases where there are multiple permits of the same type in the same city or town, you may choose to pre-qualify on more than one, giving you more opportunities to bid. If you are not the successful bidder, your bid security check will be returned to you within 15 days following the auction. If you are a successful bidder, the bid security will cover your first year permit fee, and the amount of your actual bid shall be submitted within 30 days after the auction along with a completed permit application.

(3) You will receive notification of the approval or disapproval of your pre-qualification by mail, or telephone if necessary. If you do not receive notice from us by October 15, 2010, it is your responsibility to call us to see if you have been approved to bid. Only pre-approved bidders may participate in the auction and will be required to sign a non-collusion affidavit prior to auction.

(4) The auction will be held October 21, 2010, in the Indiana Government Center South, Conference Center, Room C, 302 W. Washington, Indianapolis, IN 46204 starting at 11:00 A.M. (Indianapolis Time).

(5) The successful bidder must sign a purchase agreement immediately following the bidding and submit a completed application for the permit and a cashier's check for the amount bid at auction within thirty (30) days after the auction date. The Alcohol & Tobacco Commission considers this purchase agreement a binding and legally enforceable contract. Failure to submit a completed application and cashier's check for the bid amount is considered a breach of contract and will result in the following:

1. Forfeiture of the bid security;
2. The Alcohol & Tobacco Commission will contact the second highest bidder and may award the permit to that bidder if the second highest bidder submits an application and a cashier's check for the amount of the second highest bid.
3. Whether the second highest bidder submits application or not, the Alcohol & Tobacco Commission will undertake legal action to enforce the purchase agreement and seek to obtain a court ordered judgment in the amount of the highest bid price.

(6) The approved permit may be placed in escrow pending an approved location subject to Indiana Code 7.1-3-1-3.5 and 905 IAC 1-30-1, 2, 3 & 4..

NOTICE: The Indiana Alcohol & Tobacco Commission will not accept a transfer of ownership of a permit that was purchased at auction and never put into use, unless exceptional and unusual circumstances can be shown and seller can demonstrate that there was not an intent to speculate on the sale of said permit. The sale of a permit purchased at auction for a price more than was paid at auction creates the presumption of an intent to speculate. The length of time the permit was placed in operation after it was purchased at auction but prior to being transferred to another holder may be considered as evidence rebutting this presumption.

auction.ins

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